

JUN 28 '11 -1 37 PM

SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018-4214

VIA UPS 2<sup>nd</sup> DAY AIR

June 24, 2011

Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, S.W., Suite 100  
Washington, DC 20423-0001  
Attn: Documents for Rail Recordation

**Re: Memorandum of Lease and Assignment**

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are one (1) original and two (2) copies of a Memorandum of Lease and Assignment, dated December 21, 2010, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease and Assignment as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor/Manager: First Union Rail Corporation  
One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Nova Scotia Power Incorporated  
1894 Barrington Street  
18<sup>th</sup> Fl. - Barrington Tower  
Halifax, NS B3J 2A8  
CANADA

Owner: ATEL Leasing Corporation  
600 California Street, 6<sup>th</sup> Floor  
San Francisco, California 94108

A description of the railroad equipment covered by the enclosed document is for sixty (60) hopper cars; having AFCX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease and Assignment

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Sincerely,



Marcia Dunne  
Senior Rail Documentation Specialist

Enclosures

ENCLOSURE

ASSGN. NO.: NOSC001

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## MEMORANDUM OF LEASE AND ASSIGNMENT

THIS MEMORANDUM OF LEASE AND ASSIGNMENT (the "Memorandum") is made and entered into as of the 21 day of ~~November~~ <sup>December</sup>, 2010, by and between First Union Rail Corporation, a North Carolina corporation, acting in its capacity as manager for ATEL Leasing Corporation ("Lessor"), its successors and assigns, the owner of the Cars, as defined below, ("ATEL"), pursuant to a Railcar Management Agreement dated as of April 1, 2002, as amended, and Nova Scotia Power Incorporated ("Lessee"), a Canadian corporation.

## WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Master Lease"), dated as of the 21 day of ~~November~~ <sup>December</sup>, 2010, whereby Lessor has agreed to lease to Lessee certain railcars as described more specifically on Exhibit A attached hereto, (the "Cars"), pursuant to Rider No. 1 (the "Rider") which Rider incorporates by reference the terms and condition of the Master Lease and is a separate and independent lease, (together, the "Lease"), effective as of ~~November 21~~ <sup>December</sup>, 2010, and subject to the terms, conditions and provisions of the above-mentioned Lease.

Lessor hereby assigns and transfers to ATEL all of its right, title and interest as Lessor in the Lease as continuing collateral security for the performance of the obligations of Lessor to ATEL under the Railcar Management Agreement between Lessor and ATEL ("Railcar Management Agreement"), excluding from such assignment only its rights as manager of the Lease and Cars under the Railcar Management Agreement; provided, however, the parties hereto acknowledge and that Lessor has not and will not be released in any manner whatsoever from the performance of any of its covenants, obligations or agreements to Lessee under the either the Master Lease or the Rider, whether arising before or after the date of this Memorandum of Lease and Assignment and Lessor shall continue to be liable to Lessee for all obligations of the "Lessor" under both the Master Agreement and the Rider

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Lease and Assignment to be duly executed by their respective officers duly authorized as of the date and year first above written (and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below and that the execution of this Memorandum of Lease and Assignment was the free act and deed of its corporation).

## LESSOR:

FIRST UNION RAIL CORPORATION

Name: RICHARD F. SEYMOUR  
VICE PRESIDENT SALES & MARKETING

Title: \_\_\_\_\_

Signature: Richard F. Seymour

## LESSEE:

NOVA SCOTIA POWER INCORPORATED

Name: Richard JanogaTitle: Executive Vice President andSignature: Chief Operating OfficerName: Mark SidebottomTitle: General Manager, Power ProductionSignature: General Manager, Power Production

**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE AND ASSIGNMENT**

NUMBER OF CARS:               Sixty (60)

DESCRIPTION OF CARS:       3800 cu. ft. gravity, 263,000 lb. GRL open top hopper rail cars, with a load limit of approximately 99 tons.

CAR NUMBERS:

AFCX 924202	AFCX 924236
AFCX 924203	AFCX 924237
AFCX 924204	AFCX 924239
AFCX 924205	AFCX 924241
AFCX 924206	AFCX 924242
AFCX 924207	AFCX 924243
AFCX 924209	AFCX 924244
AFCX 924210	AFCX 924245
AFCX 924211	AFCX 924246
AFCX 924212	AFCX 924247
AFCX 924213	AFCX 924249
AFCX 924214	AFCX 924250
AFCX 924215	AFCX 924252
AFCX 924216	AFCX 924253
AFCX 924217	AFCX 924254
AFCX 924218	AFCX 924255
AFCX 924220	AFCX 924256
AFCX 924221	AFCX 924257
AFCX 924222	AFCX 924258
AFCX 924223	AFCX 924259
AFCX 924225	AFCX 924260
AFCX 924226	AFCX 924261
AFCX 924228	AFCX 924262
AFCX 924229	AFCX 924264
AFCX 924230	AFCX 924265
AFCX 924231	AFCX 924266
AFCX 924232	AFCX 924267
AFCX 924233	AFCX 924268
AFCX 924234	AFCX 924269
AFCX 924235	AFCX 924270